Ministry of
Transportation

2006/07
Annual Service Plan Report

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Message from the Minister and Accountability Statement

This report shows our progress in meeting our three-year goals of expanding and strengthening the roads, rails, ferries, bridges, ports and airports that tie our communities together and link us to the world. We are investing $2.4 billion over three years to construct the transportation infrastructure we need to support our growing economy.

The Gateway Program, our plan to open up the province's transportation network in greater Vancouver, is moving forward. We have begun construction of the new seven-lane Pitt River Bridge that will significantly reduce traffic congestion, as well as eliminate interference with marine traffic. Environmental Assessment processes are underway on both the South Fraser Perimeter Road and Port Mann/Highway 1 projects. An $800 million federal commitment has been made for the B.C. component of the Pacific Gateway, which will help us move forward and build the transportation infrastructure needed to capitalize on growing trade with the Asia Pacific region.

Every region of the province is benefiting from our transportation investments, whether it's the Peace, where we are making road improvements to support the booming oil and gas industry, the Cariboo, where we are carrying out priority projects in our Cariboo Connector strategy to four-lane Highway 97 between Cache Creek and Prince George, or the Okanagan, where the William R. Bennett Bridge over Okanagan Lake is taking shape and will be open for business midway through 2008.

The $600-million (in 2002 dollars) Sea-to-Sky Highway Improvement Project is now over 45 per cent complete, and on track for full operation in mid-2009. Phase 1 of the Kicking Horse Canyon Project on the Trans-Canada Highway was completed in November 2006. Phase 2, which consists of the spectacular new Park Bridge and five kilometre highway realignment east of Golden, proceeds on schedule and on budget.

British Columbia's position as a global leader in implementing successful public-private partnerships (P3) has been reaffirmed with continuing awards for this form of major project funding for the Kicking Horse Canyon, Sea-To-Sky Highway and William R. Bennett Bridge projects.

The Ministry has also placed a strong emphasis on cycling as a viable and healthy form of transportation. In 2006, the Ministry provided funding for 18 cycling infrastructure projects in a dozen communities that will add more than 22 km of new bike lanes and trails. Another $2 million is available to communities across B.C. in 2007/08. We've announced the largest investment in cycling infrastructure in provincial history — $50 million through the

Gateway Program. We are also managing the LocalMotion Program in partnership with the Ministry of Community Services to invest in capital projects including bike paths, walkways, greenways, and improved accessibility for people with disabilities.

I am proud of our accomplishments, and particularly proud of my Ministry's employees, who are an exceptional team of dedicated professionals who deliver excellent service to British Columbians.

The 2006/07 Ministry of Transportation Annual Service Plan Report compares the actual results to the expected results identified in the Ministry's 2006/07 – 2008/09 Service Plan Update. I am accountable for those results as reported.

Honourable Kevin Falcon
Minister of Transportation

June 20, 2007

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Highlights of the Year

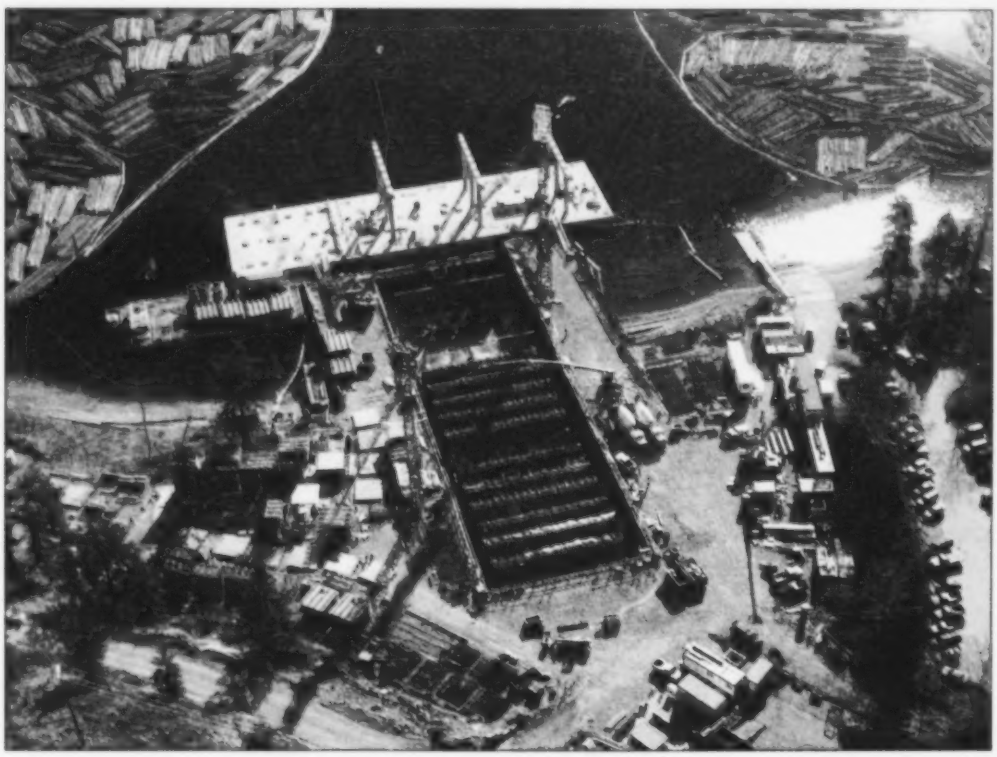
Our investments in British Columbia's transportation infrastructure will strengthen our economy, improve safety, and enhance the transportation of goods and people throughout the province and across our borders. Some important highlights of 2006/07 are listed below:

William R. Bennett Bridge

The Okanagan Lake crossing in Kelowna has the highest traffic congestion in the Interior of B.C. This project replaces the existing three-lane bridge with a new five-lane floating bridge and fixed high level span which will provide an 18 metre-high clearance navigation channel. The Westbank First Nation will deliver upgrades to a full movement interchange at Campbell Road.

Accomplishments for 2006/07 include:

- fabricating and floating out the first four of nine bridge pontoon sections;
- constructing the substructure for the fixed navigation portion of the bridge; and
- awarding the design build contract for Campbell Road Interchange to Emil Anderson Construction.



Pontoon construction at the Graving Dock Site

Kicking Horse Canyon

From Golden to Yoho National Park, this multi-phase project will upgrade 26 kilometres of the Trans-Canada Highway to a modern four-lane standard. The project will make this important national gateway safer and will allow traffic to flow more smoothly. Achievements in 2006/07 include:

- completion of the Phase I Yoho (5-Mile) Bridge and approaches, including enhanced rock fall protection measures; and
- achieving 70 per cent completion on the new Phase 2 Park Bridge and approaches and on target to meet substantial completion in November 2007, over 18 months ahead of schedule.

TransLink

In March 2006, the Minister of Transportation appointed a three-person panel to conduct a review of the TransLink governance and funding structure. The panel reviewed past recommendations on TransLink governance, received 120 submissions, and held over 30 meetings with stakeholders. In January 2007, the panel completed its report and recommended that the Minister consider developing a new governance and funding model, including the establishment of a council of mayors, a professionally-based board, an independent commissioner, a sustainable funding framework, a new planning framework and elimination of the parking site tax. The government has accepted the majority of the recommendations and is in the process of implementation.

Pacific Gateway

The Pacific Gateway provides the shortest route between rapidly developing Asian economies and North America. The Pacific Gateway Strategy is a major undertaking to capitalize on West-Coast ports, airports, road and rail links to establish a competitive, full-service trade corridor between Asia and North America. This strategy will ensure Canada has the necessary transportation infrastructure and policies in place to support a competitive, efficient Pacific Gateway capable of handling the forecast 2020 Asia Pacific trade volumes.

Significant progress in optimizing and expanding capacity along B.C.'s transportation corridors has been made with commitments to action by the public and private sectors.

Construction is underway or completed on a number of Pacific Gateway projects including a new Pitt River Bridge/Mary Hill Interchange; border infrastructure improvements on highways 15 and 10; Kicking Horse Canyon upgrades on the Trans-Canada highway; four new gates at Vancouver International Airport's international terminal, the Canada Line to provide rapid transit to Vancouver International Airport; rail system capacity expansion and container handling capacity additions at Lower Mainland ports and a new container facility at the Port of Prince Rupert.

Gateway Program

The program focuses on reducing congestion and improving the movement of people, goods and transit. The planned improvements along and across the Fraser River are targeted for completion by 2013. In 2006/07, the program reached these important milestones:

- completed pre-design consultation for Port Mann/ Highway 1 and South Fraser Perimeter Road projects, consultation included 41 open houses and 106 stakeholder meetings with over 9,500 participants;
- successful procurement process, with the selection of Peter Kiewit Sons Co. to design and construct the Pitt River Bridge and Mary Hill Interchange Project, construction will commence in summer 2007;
- submitted an application for Environmental Assessment Certificate for the South Fraser Perimeter Road (SFPR), first Public Comment Period on the SFPR Environmental Assessment Application was completed (October 19th, 2006 – December 17th, 2006); and
- negotiated more than $455 million in federal funding to support construction of Pitt River Bridge and the South Fraser Perimeter Road.

Sea-to-Sky Highway Improvement Project

The project improves the safety, reliability and capacity of the scenic highway between Horseshoe Bay and Whistler. Achievements in 2006/07 include:

- improvements passed the 45 per cent completion mark with two 5-km sections: Furry Creek-to-Britannia Beach and Cheakamus Canyon-to-Rubble Creek — the latter means 25 kilometres of the 44 kilometres from Squamish to Whistler now have passing lanes;
- Squamish and Lil'wat First Nations drafted accord protocol with the participation of the Ministry of Tourism, Sport and the Arts and the Ministry of Transportation toward a new cultural centre in Whistler, Cultural Journey Aboriginal tourism theme, and Coast Salish branding program for new corridor highway signs;
- the project's public and stakeholder sessions passed 500 in number, with detailed design-stage consultation on-track for spring 2007; and
- proactive community relations and traffic communications programs continue to be well-received, with 94 per cent of respondents indicating satisfaction with advance notice of scheduled traffic delays and highway closures.

Completed section at Furry Creek

Purpose of Ministry

The Ministry of Transportation plans transportation networks, provides transportation services and infrastructure, develops and implements transportation policies, and administers many transportation-related acts and regulations.

To accomplish its mandate, the Ministry:

- develops provincial transportation plans to integrate various modes of transportation in consultation with Regional Transportation Advisory Committees and local and regional authorities, and in cooperation with the transportation-related Crown corporations;
- ensures British Columbia's ports and airports are gateways for economic growth and development;
- builds highway infrastructure to fulfill the economic and social needs of British Columbians;
- maintains existing highways to a high standard through contracts with private sector road maintenance providers;
- undertakes vehicle safety inspections and sets commercial vehicle operating standards;
- works with partners and other levels of government to provide cost-effective public transit, coastal ferry services, and cycling networks;
- manages contracts for inland ferry operations; and
- licenses and regulates commercial passenger transportation.

Vision, Mission and Values

Vision

The Ministry's vision is a fully integrated transportation system that advances environmental, economic and social objectives, and moves goods and people safely within British Columbia and to markets beyond.

Mission

The Ministry's mission is to:

- Create an integrated and safe transportation network that incorporates all modes of transport, reflects regional priorities and provides a strong foundation for economic growth; and
- Maintain and improve the provincial highway system, ensuring the safe and efficient movement of people and goods provincially, nationally and internationally.

Values

- We respect regional and community goals and priorities.
- We are responsive to the needs of British Columbia business.
- We strive for excellence and innovation.
- We respect the people we serve and work with.

Crown Corporations

The Minister of Transportation is responsible for the following four Crown corporations of which two, the BC Transportation Financing Authority and Rapid Transit Project 2000, are addressed in this Annual Service Plan Report. The other two Crown corporations publish their own Annual Service Plan Reports.

BC Transportation Financing Authority

The BC Transportation Financing Authority is a provincial Crown corporation continued under the *Transportation Act*. It owns provincial highways and provides for their rehabilitation and expansion through dedicated fuel taxes and other revenues. The BC Transportation Financing Authority can also acquire, hold, construct, or improve other transportation infrastructure throughout British Columbia.

Rapid Transit Project 2000

The Rapid Transit Project 2000 completed its mandate to build the Millennium Line and closed its project office as of June 30, 2006. The Ministry is responsible for any continuing Rapid Transit Project 2000 administration and financial reporting. Complete Rapid Transit Project 2000 Financial Statements are available at:
http://www.th.gov.bc.ca/publications/ministry_reporting/RTP2000/06-07_financial_statement.pdf

BC Transit (http://www.bctransit.com)

BC Transit is the provincial Crown agency charged with coordinating the delivery of public transportation throughout British Columbia (outside the Greater Vancouver Regional District).

British Columbia Railway Company (http://www.bcrproperties.com/bcrco/index.html)

The primary mandate of the British Columbia Railway Company is the effective management of the Revitalization Agreement between British Columbia Railway Company and the Canadian National Railway Company while ensuring the efficient wind down and/or disposition of British Columbia Railway Company's remaining businesses, assets, and non-railway related real estate. In addition, British Columbia Railway Company is to provide advice and support for the Pacific Gateway Strategy and to implement alternative operating options for Vancouver Wharves.

Strategic Context

The Ministry of Transportation primarily supports government's Great Goal to create more jobs per capita than anywhere else in Canada. Job creation depends on the success of the economy, and an efficient and effective transportation system is essential to economic growth. All of the Ministry's activities support the improved performance of this system, which in turn facilitates the creation of jobs.

Factors Affecting Service Delivery

The provincial transportation system is our link with the global economy and many factors affect the business of the Ministry. Factors that affected Ministry service delivery in 2006/07 include the following:

- Increased population and economic activity led to a growth in transportation demand.
- Higher fuel and oil prices continued to increase the cost of oil-based products such as asphalt, resulting in increased costs for new infrastructure and maintenance of existing infrastructure.
- Higher costs of construction materials such as steel and concrete continued to increase transportation improvement costs, particularly with respect to bridges.
- Competition for engineering and construction services, from the oil and gas and other sectors within and outside B.C., led to continued cost escalation on Ministry construction projects.
- The Province of British Columbia has established a target to reduce greenhouse gas emissions by at least 33 per cent by 2020. The transportation sector accounts for approximately 40 per cent of total emissions. The Ministry of Transportation is currently developing various strategies and action plans, focussed on the movement of people and goods as well as the use of fuel efficient technologies to meet government's climate change goals and to become carbon neutral by 2010.
- The spread of the mountain pine beetle continued to accelerate timber harvesting activities, resulting in increased wear and tear on the highway system.
- British Columbia's importance as a trade gateway to the Pacific Rim and the USA led to significant partnership funding from the federal government for transportation projects.

Report on Performance

Performance Plan Summary Table

Goal 1: Key transportation infrastructure is improved to drive economic growth and trade. For greater detail see pages 14 to 17	2006/07 Target	2006/07 Actual
1.1 Available provincial investment dollars are used as effectively as possible.		
The percentage of projects that meet their budget and schedule.	90.5%	90.6% ACHIEVED
Private investment capital leveraged through public-private partnerships, plus defrayed or reduced costs from efficient land use.	$104.1 M	$281.7 M EXCEEDED
Federal funding investment leveraged (capital).	$70 M	$76 M EXCEEDED
1.2 Improved mobility for highways servicing major economic gateways.		
Commercial trucking travel speed between economic gateways (kilometres per hour)	71	73 EXCEEDED

Goal 2: British Columbia is provided with a safe and reliable highway system. For greater detail see pages 18 to 23	2006/07 Target	2006/07 Actual
2.1 Contractors maintain the provincial highway system to a high standard.		
Rating of the maintenance contractors' performance using Contractor Assessment Program.	92%	92% ACHIEVED
2.2 The main highway system is rehabilitated on a lowest life-cycle cost basis.		
Main Highway Condition: Lane kilometres of main highway rehabilitated each year.	1,800	1,865 ACHIEVED
2.3 Improved road access for resource industries and rural residents.		
Cumulative lane kilometres improved or to be improved in the stated programs.	4,100	4,573 EXCEEDED
2.4 Improved highway safety and reliability.		
Crash reduction after construction on safety improvement capital projects (number of crashes reduced from baseline of 725 crashes).	100	360 EXCEEDED
2.5 Effective road safety enforcement, education and programs for the commercial transport industry.		
Variation from national average in out-of-service rate for commercial vehicles.	+/- 2% of national average	+/- 2% of national average ACHIEVED

Goal 3: British Columbia's transportation industries become more competitive. For greater detail see pages 24 to 25	2006/07 Target	2006/07 Actual
3.1 Building on the British Columbia Ports Strategy as part of a Pacific Gateway Strategy.		
Growth in container volume handled at west coast ports in TEUs (twenty-foot equivalent units).	3% (0.06 million TEUs)	15% growth (0.30 million TEUs) EXCEEDED

Goal 4: Excellent customer service is achieved. For greater detail see pages 26 to 27	2006/07 Target	2006/07 Actual
4.1 Excellent service is provided to all British Columbians		
Customer satisfaction survey: Highway users' satisfaction with existing Ministry services and deliver processes, rated on a scale of 1 to 5.	4.00	4.10 EXCEEDED

Goals, Objectives, Strategies and Performance Results

This section describes the Ministry's overall goals, the supporting objectives that should be met along the way, the major strategies the Ministry uses and targets against which performance are measured. Ministry staff and the public are able to gauge how well these strategies are working by comparing the performance targets below with the actual measured results.

Goal 1: Key transportation infrastructure is improved to drive economic growth and trade

Objective 1.1: Available provincial investment dollars are used as effectively as possible

Strategies

Key strategies for this objective include:

- complete projects on budget and on time;
- develop public-private partnerships in consultation with Partnerships BC, where appropriate;
- capture value from surplus land to fund transportation improvements; and
- secure federal funding for transportation projects in British Columbia.

Performance Results

Performance Measure	2005/06 Actual	2006/07 Target	2006/07 Actual
The percentage of projects that meet their budget and schedule.	91%	90.5%	90.6% ACHIEVED

Data Source: Ministry of Transportation. The data are reliable as approved budgets and schedules are compared to actual expenditures and completion dates.

Discussion of Results

Projects under the capital program are aggregated each fiscal year to compare the planned cost of the projects to the actual cost and the scheduled progress of the projects to the actual progress. The target was exceeded slightly during 2006/07 as 538 projects were delivered on time and on schedule out of a total of 594.

Results prior to 2005/06 measured project performance were based on two separate variables of budget and schedule rather than the combined measure currently in use. In 2004/05, 100 per cent of the projects were completed on or under budget while 92 per cent of the projects finished on schedule.

Ministry Response

The Ministry continues with an initiative to significantly improve the construction estimating methods that are used. Producing better construction estimates is emphasized during the planning and design phases of project delivery. Further, better management of projects can reduce or eliminate cost pressures that may materialize.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Private investment capital leveraged through public-private partnerships, plus defrayed or reduced costs from efficient land use.	$26.8 M	$120.9 M	$104.1 M	$281.7 M EXCEEDED

Data Source: Ministry of Transportation, Partnerships Department. This performance measure includes contributions at the time of construction from non-provincial treasury sources, such as municipalities, Crown corporations, First Nations and the private sector. It also includes the financing of projects by the private sector under Design-Build-Finance-Operate contracts. It does not include contributions from the federal government, which are measured separately. The performance measure also includes the net value captured from land sales.

Discussion of Results

The target was exceeded. The contribution / recovery from partners and the land contribution are measured against the gross cost of capital projects. Results are based on financial contributions from partners, net revenue from land sales, independent valuation of other contributions, and estimates of the value of construction undertaken on Design-Build-Finance-Operate contracts.

Ministry Response

The target did not fully account for the likely progress on Partnerships projects overall being significantly ahead of schedule. The Ministry will review the forecasting models.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Federal funding investment leveraged (capital).	$35 M	$53 M	$70 M	$76 M EXCEEDED

Data Source: Ministry of Transportation. The data are reliable as it is obtained from: invoices/ payments and accruals; official cost-sharing cash-flows between the Province and Federal Government in Constituent Contributor Agreements; and projections of Provincial share of newly announced Federal Infrastructure Programs, based on population and merit.

Discussion of Results

Federal funding investment leveraged refers to the amount of federal funding secured through British Columbia/Canada contribution agreements. The amount of funding from the federal government will assist in B.C.'s ability to achieve longer term sustainable financing for transportation improvements. The Ministry's ability to leverage federal funding is dependent on B.C. government decisions with respect to the availability of matching provincial funding, and federal funding allocation and prioritization practices.

Projects were successfully delivered on budget and ahead of schedule which enabled the Ministry to claim $6 million (9 per cent) more eligible costs than the target of $70 million.

Ministry Response

There will be no change in direction with regard to claiming eligible costs against on-going programs or in the negotiation and conclusion of new federal-provincial cost-sharing agreements.

Objective 1.2: Improved mobility for highways servicing major economic gateways

Strategies

Key strategies for this objective include:

- improve mobility and reliability and reduce bottlenecks on major urban and rural trade corridors using partnership cost-sharing where feasible;
- reduce congestion at weigh scales by relocating and/or redesigning them, and by using intelligent transportation systems (ITS) to process truck traffic more efficiently; and
- reduce congestion at Canada/USA border crossings through the use of ITS initiatives.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Average commercial trucking travel speed between economic gateways (kilometres per hour).	71	69	71	73 EXCEEDED

Data Source: Ministry of Transportation, Highway Planning Branch. The data are reliable in terms of highway coverage (6,130 km), data quantity (over 170,000 samples), temporal conditions (constant data from the peak summer and shoulder autumn seasons) and location (capturing both urban and rural conditions). Unreasonably low speeds were screened out. In the winter months, the average speeds may be higher because of lower rural traffic volumes, but weather conditions would also affect the results.

Discussion of Results

The speed of approximately 1,500 heavy long-distance trucks was monitored as they traveled on primary provincial numbered highways during August, September and October 2006.

The measured speeds on 23 of the 36 highway segments surveyed in 2006 were higher than those measured during either of the previous two years. Trends will become clearer as the Ministry continues to collect data each year. In 2006, actual performance exceeded the target by 2 kilometres per hour.

Goal 2: British Columbia is provided with a safe and reliable highway system

Objective 2.1: Contractors maintain the provincial highway system to a high standard

Strategy

Fully implement and review the Contractor Assessment Program, a new procedure for administering the road and bridge maintenance contracts and assessing how well the contractors are delivering their services.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Rating of the maintenance contractors' performance using Contractor Assessment Program (CAP)	93 %	92 %	92 %	92 % ACHIEVED

Data Source: Ministry of Transportation, Construction and Maintenance Branch. The data are based on the results of local and regional audits, and road user satisfaction ratings obtained through stakeholder assessments. Key stakeholders such as the RCMP, emergency response providers, trucking firms and bus lines in each service area are asked to rate their level of satisfaction with road maintenance activities such as snow removal, mowing, patching and sign maintenance. Results for 26 of the 28 contracts are included, for the assessment period of October 1, 2005 to September 30, 2006. The 2 remaining contracts commenced in the summer/fall of 2006; their results will be included next year.

Discussion of Results

The target was achieved. The performance measure indicates how well contractors are meeting the standards set out in performance based maintenance contracts. The rating for each contractor is averaged to provide a provincial average Contractor Assessment Program rating. The assessment period (October 1, 2005 to September 30, 2006) does not coincide with the fiscal year due to data collection timing. The individual contractor's rating is determined by the weighted average of the three components of the program:

	Local Assessment	Regional Assessment	Stakeholder Assessment	Total
Winter Season	30%	18%	12%	60%
Summer Season	20%	12%	8%	40%
Total	50%	30%	20%	100%

Ministry Response

The highway maintenance contracting industry as a whole is providing good service, as evidenced by the quality audit reviews at the local and regional levels, as well as by local stakeholder opinion. The Ministry will continue to monitor and investigate methods to improve contractors' performance.

Sweeper cleaning highway shoulder

Objective 2.2: The main highway system is rehabilitated on a lowest life-cycle cost basis

Strategies

Key strategies for this objective include:

- maintain the current condition of the main highway system (roads and structures) and mitigate the onset of deterioration in ways that provide the "least cost over the life-cycle" of the infrastructure; and
- systematically assess the condition of the main highways to determine which needs should take priority in the annual resurfacing and structure rehabilitation and replacement programs.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Main Highway Condition: Lane kilometres of main highway rehabilitated each year.	2,764	2,601	1,800	1,865 ACHIEVED

Data Source: Ministry of Transportation, Construction and Maintenance Branch. The data are reliable as they are measured in the field during program delivery.

Discussion of Results

This performance measure quantifies the lane kilometres of main highways that were rehabilitated in each year. Rehabilitation needs must be met every year if the highway system is to continue to support economic development and community growth. Typical activities include: first time hard surface paving or sealcoating; and resurfacing of existing paved surfaces by such means as overlay, hot-in-place recycling, mill and fill; and surface sealing. The target was exceeded, but with difficulty, as cost escalation and other pressures on our rehabilitation programs are taking a toll.

The previous measure included a broader spectrum of work. In 2006/07 the measure was revised to more specifically reflect work on main highways.

Ministry Response

The Ministry exceeded the target of 1,800 lane kilometres. The Ministry will continue to investigate other methods to improve the main highway condition.

Objective 2.3: Improved road access for resource industries and rural residents

Strategies

- Strategically invest in roadway rehabilitation and improvements, on the provincial side road system as follows:
  - — Heartland Roads Program — $75 million per annum for 2006/07 and 2007/08; $55 million in 2008/09;
  - — Heartlands Oil and Gas Road Rehabilitation Strategy — $42 million per annum for 2006/07 to 2008/09; and
  - — support British Columbia's Mountain Pine Beetle Action Plan, through the strategic investment of $30 million per annum for three years, commenced in 2006/07.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Cumulative lane kilometres improved or to be improved in the stated programs.	2,703	3,817	4,100	4,573 EXCEEDED

Data Source: Ministry of Transportation, Construction and Maintenance Branch. The data are reliable as the reported lane kilometres of roads that were treated in 2006/07 were measured in the field during program delivery.

Discussion of Results

The measure was changed in 2006/07 to consider the improvements to the highway system under all of the above programs since their inception. Previous years' measures considered improvements primarily under the Heartlands Roads Program.

The 2006/07 target was exceeded. The quantities include various treatments such as drainage improvements, base reconstruction and strengthening, gravelling, and first time hard surfacing or resurfacing.

Ministry Response

The Ministry will continue to hold the course on this performance measure and its strategies, the different works proposed to be accomplished in each year come with different costs; and it is anticipated that in some years we will achieve more work than was originally anticipated when the cumulative accomplishments were set; while in other years we may achieve less. That is why this measure was created as a cumulative measure. At this time; (and since the inception of the Heartlands Program in 2002/03 — the first of these three programs) we are 473.2 lane kilometres ahead of target.

Objective 2.4: Improved highway safety and reliability

Strategies

Key strategies for this objective include:

- monitor highway safety and improve high-risk locations, in consultation with Regional Transportation Advisory Committees;
- maximize highway safety and reliability through both safety-focused enhancements and low-cost improvements, such as signs, lighting and lane markings; and
- work with safety partners such as the Insurance Corporation of British Columbia, the RCMP and the Ministry of Public Safety and Solicitor General to develop a safety plan to achieve the targets established in the Canada-wide Road Safety Vision 2010.

Performance Results

Performance Measure	Benchmark	2005/06 Actual	2006/07 Target	2006/07 Actual
Crash reduction after construction on safety improvement capital projects.	725 crashes	72 crash reduction	100 crash reduction	360 crash reduction EXCEEDED

Data Source: The crash data are gathered by the RCMP as part of their on-site accident investigation. The RCMP then passes the data to ICBC. The data (provincial roads only) are then passed on to the Ministry and input into the Highway Accident System. Data reliability are dependent on RCMP attendance at crashes and the accuracy of the form completion. Safety data reliability are proportional to the length of the reporting period.

Discussion of Results

The table above compares the before and after number of crashes following the completion of safety improvement capital projects.In 2006/07 this related to the completion of twenty-one construction projects. The baseline benchmark is 725 crashes measured over five years for the candidate projects for the data period 1991 – 1995. This period was chosen due to superior data quality. Typically, five years of crash data are required after the completion of a project in order to determine a trend as to how well the project has improved safety.

The target was exceeded substantially but to date, only an average of 1.8 years of data are available for the seventeen projects that have been completed. Results reported in 2006/07 should be considered as very preliminary.

In addition to the road infrastructure improvements, it is possible that the marked reduction may partly be attributed to other factors such as increased enforcement, driver education and general downward trend in crashes in the Northern and the Southern Interior Regions.

As the results are preliminary, the Ministry is awaiting more data before drawing any conclusions. Collisions are random events and this can lead to a significant variance in crashes, particularly for a small sample size. Therefore, it is preferable to obtain three to five years of crash data to determine a more representative reduction in crashes.

Objective 2.5: Effective road safety enforcement, education and programs for the commercial transport industry

Strategies

Key strategies for this objective include:

- establish and enforce standards that govern British Columbia's commercial transport industry;
- improve commercial transport safety regulations;
- work with other jurisdictions to coordinate and harmonize commercial transport and vehicle safety standards; and
- introduce systems improvements to enhance the quality and timeliness of commercial vehicle safety data for law enforcement.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Variation from national average in out-of-service rate for commercial vehicles.	+/- 2% of national average	+/- 2% of national average	+/- 2% of national average	+/- 2% of national average ACHIEVED

Data Source: The data were collected by Ministry staff through random samples over 72 hours at four sites in British Columbia. The sites were consistent with prior years to ensure reliability.

Discussion of Results

The percentage of vehicles with defects which result in the vehicle being placed out-of-service has historically proven to be a good barometer for measuring trends toward vehicle safety. Traditionally, the acceptable level for out-of-service is within +/- 2 per cent of the national average for commercial vehicles as determined during the International Roadcheck.

The out-of-service rate is determined by dividing the number of out-of-service commercial vehicles by the total number inspected. This provides the out-of-service rate for British Columbia which is then compared to the national average.

The target was achieved. The table below shows the actual results for the last three years.

Performance Measures	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Provincial average out-of-service rate for commercial vehicles.	19.8%	18.9%	+/- 2% of national average	19.3%
National average out-of-service rate for commercial vehicles.	21.6%	18.5%	Not applicable	20.3%

Ministry Response

The Ministry will continue to investigate other measures to ensure the safety of the travelling public.

Goal 3: British Columbia's transportation industries become more competitive

Objective: Building on the British Columbia Ports Strategy as part of a Pacific Gateway Strategy

Strategies

Key strategies for this objective include:

- ensure British Columbia's ports and airports are gateways for economic growth and development by providing a long-term plan; and
- work closely with other levels of government and stakeholders where responsibilities may overlap.

Performance Results

Performance Measure	2005 Benchmark	2006/07 Target	2006/07 Actual
Growth in container volume handled at west coast ports in TEUs (twenty-foot equivalent units).	2 million TEUs	3% growth (0.06 million TEUs)	15% growth (0.30 million TEUs) EXCEEDED

Data Source: Growth in container volumes is based on traffic statistics reported annually by British Columbia's key trading ports. This includes the ports of Vancouver and Fraser River. The new port of Prince Rupert, which will come online in the Fall of 2007, will be included in future statistics. TEUs are twenty foot equivalent units, a standard measure for containers where one TEU = one 20 foot container.

Discussion of Results

Forecast container traffic volumes handled by British Columbia's key trading ports in 2005 are included as a benchmark against which to compare future container volumes. Updated 2006 figures reported by the ports have been compared with the 2005 traffic volumes. The observed increase in volume for 2006 reflected continued growth in container traffic handled by Canada's West Coast ports.

Total container traffic handled at B.C. ports in 2006 was 2.3 million TEUs. This growth significantly exceeded the 3 per cent target of 2.06 million TEUs defined for 2006/07. Actual recorded traffic was indicative of a 15 per cent gain over 2005 volumes. Historically, this compared to a 14 per cent gain recorded last year. The continued growth was being driven by the rapid increase in Asia Pacific container traffic which is projected to increase 300 per cent by 2020.

Performance measure baseline and growth targets have been adjusted in the 2007/08 service plan to reflect figures that are more consistent with actual forecast demand in container traffic for Canada's Pacific Gateway. As such, the 2007/08 plan uses a baseline of 2.41 million TEUs, or the official forecast demand reported in Table 1 (page 6) of the Pacific Gateway Strategy Action Plan. These target demands are based on "high case" traffic projections from the British Columbia Ports Strategy as opposed to 3 per cent growth target which was deemed to be conservative.

Ministry Response

The annual rate of growth is expected to continue increasing as new or expanded port terminal, and supporting road and rail network, capacity is put in place and container volumes to/from Asia continue to rise. Through the Pacific Gateway Strategy, the Ministry, in partnership with industry and other levels of government, continues to advance critical infrastructure, operational efficiencies and policy initiatives needed to meet long-term (2020) Asia Pacific trade targets.

Container trucks loading at a B.C. container terminal

Goal 4: Excellent customer service is achieved

Objective: Excellent service is provided to all British Columbians

Strategies

Key strategies for this objective include:

- undertake annual surveys of customer satisfaction and compare survey results with baseline data to ensure customer needs are met;
- use survey results and public feedback to improve customer service processes and procedures; and
- conduct focus group sessions with individual stakeholder groups to identify potential gaps in service delivery, and determine how to refine ways of doing business in order to better meet customer needs.

Performance Results

Performance Measure	2004/05 Actual	2005/06 Actual	2006/07 Target	2006/07 Actual
Customer Satisfaction Survey: Highway users' satisfaction with existing Ministry services and delivery processes, rated on a scale of 1 to 5.	3.62	4.04	4.00	4.10 EXCEEDED

Data Source: BC Stats conducted 2,500 surveys to internal and external clients on behalf of the Ministry to ensure validity of the results. The 2006 survey results allowed the Ministry to benchmark service delivery changes with all business unit, district and regional stakeholders while measuring customer satisfaction against previous year performance and projected targets. The margin of error was calculated for five key questions. Therefore, based on the five common questions used in the Customer Service Index, the margin of error was ± 0.04 at the 95% confidence level. In other words, results presented in this report for the key customer service questions are accurate to within 0.04 on the 5 point scale 19 times out of 20.

Discussion of Results

The Ministry's customer satisfaction survey is based on the Common Measurement Tool, designed by The Institute for Citizen Centred Service. It is a survey framework designed to be administered by public-sector organizations to facilitate the measurement of citizen satisfaction. In 2005, the Ministry of Transportation moved from a 10 point scale to a 5 point scale to enable cross jurisdictional measurement for best practice analysis.

Respondents were asked a common set of questions based on questions from the Common Measurement Tool as well as a series of non-Common Measurement Tool questions relating to communication and service delivery. Measuring stakeholder satisfaction is a critical means of measuring the Ministry's success in improving service quality.

Recent survey results suggest the Ministry is succeeding in its efforts to improve service quality.

Ministry Response

The Ministry is using the survey results to identify areas and processes that could be reviewed to improve service delivery.

Report on Resources

Ministry of Transportation

	Estimated	Other Authorizations	Total Estimated	Actual	Variance
Operating Expenses ($000)[1]					
Transportation Improvements	18,702	562	19,264	15,689	(3,575)
Public Transportation	361,880	377	362,257	359,082	(3,175)
Highway Operations	444,122	1,254	445,376	450,659	5,283
Passenger Transportation Regulation	2,314	32	2,346	2,227	(119)
Executive and Support Services	12,440	886	13,326	14,912	1,586
Total	**839,458**	**3,111**	**842,569**	**842,569**	**0**
Full-time Equivalents (FTEs)[2]					
Transportation Improvements	317	0	317	264.4	(52.6)
Highway Operations	963	0	963	945.5	(17.5)
Passenger Transportation Regulation	22	0	22	20.1	(1.9)
Executive and Support Services	83	0	83	85.4	2.4
Total	**1,385**	**0**	**1,385**	**1,315.4**	**(69.6)**
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)[3]					
Transportation Improvements	1,241	0	1,241	764	(477)
Highway Operations	8,045	0	8,045	4,317	(3,728)
Passenger Transportation Regulation	254	0	254	27	(227)
Executive and Support Services	39	0	39	97	58
Total	**9,579**	**0**	**9,579**	**5,205**	**(4,374)**
Other Financing Transactions ($000)[4]					
Public Transportation	12,747	0	12,747	12,747	0
Revenue ($000)[5]					
Total Receipts	**96,024**	**0**	**96,024**	**98,619**	**2,595**

[1] The Ministry manages its operating budget to the bottom line by monitoring expenditures during the year, identifying potential savings and cost pressures, and reallocating funds accordingly. The Ministry accessed government contingency for $3.111 million to fund Negotiating Framework salary increases and a B.C. Public Service Agency retirement allowance shortfall.

[2] FTE staff usage was 70 under budget due largely to recruitment lag and less overtime than budgeted for.

[3] The Ministry CRF capital budget was under expended largely due to the deferral of systems equipment purchases and the timing of vehicle acquisitions.

[4] Prepaid Capital Advances are made to support Public Transportation around the province.

[5] Revenue was $2.6 million higher than expected due to increased Coquihalla Toll revenue and weigh scale permit revenue.

Core Business Areas

The Ministry of Transportation is committed to opening up B.C. through innovative, forward-thinking transportation strategies that move people and goods safely throughout B.C., while helping revitalize our provincial economy. Ministry responsibilities fall into five core business areas:

1. Transportation Improvements

Managing and improving the province's transportation network requires careful planning, monitoring and direction, looking decades into the future. The Ministry ensures that the most pressing transportation needs in British Columbia are addressed first, so that the public's investment in transportation can bring as many benefits as possible. The Minister receives the advice of eight independent Regional Transportation Advisory Committees across the province to help identify and prioritize transportation projects.

The Ministry's major activities in this core business area include gateway and trade corridor development and investment strategies; transportation, port and airport development; development of highway and corporate policy and legislation; highway planning; capital program development and monitoring; direction and management of projects; engineering, design, survey, construction, property acquisition and expropriation for provincial highways, roads, bridges and tunnels; and development and monitoring of public-private partnerships.

2. Public Transportation

The provincial government provides financial support to public transit and contracted coastal ferry services across the province. These services are vital to the economic and social health of many communities.

BC Transit is supported by annual transfers of capital and operating funding. This funding also supports transportation services for the disabled. Public transit in Greater Vancouver is funded through dedicated tax revenues provided to TransLink (Greater Vancouver Transportation Authority), which is responsible for public transit in the region. Provincial funding is also committed to new rapid transit lines in Greater Vancouver: the Canada Line connecting Richmond, the Airport and downtown Vancouver; and the proposed northeast rapid transit extension (Evergreen Line).

The Province pays performance-based service fees to British Columbia Ferry Services Inc. for the delivery of coastal ferry services. Many coastal communities rely on these connections to the rest of the province.

3. Highway Operations

Highway Operations keeps British Columbia's highway network safe, reliable and in good repair in some of Canada's most challenging terrain.

Highway Operations is the Ministry's front line. Regional and district staff provide customer service by working directly with the public, local governments, First Nations and private partners.

The Ministry's work in this core business area includes Maintenance, Asset Preservation and Traffic Operations; Commercial Vehicle Safety and Enforcement; Inland Ferries; and Coquihalla Toll Administration.

The Ministry's highway operations are divided into three regions: South Coast, Southern Interior and Northern. Each region is subdivided into districts and maintenance areas for more efficient administration. Highway maintenance is carried out by maintenance contractors in 28 areas across the province. Ministry employees monitor and work closely with maintenance contractors to ensure they meet Ministry standards. Timely rehabilitation prevents more costly repairs. Highway Operations determines where investment would do the most good, resurfaces roads and bridges, replaces bridges at the end of their service lives, and performs other work to extend the life of the transportation network.

The Ministry establishes and maintains effective and safe vehicle operating and equipment standards, and monitors application of these standards through the following programs: Vehicle Inspections, Dangerous Goods, National Safety Code, Commercial Transport, and Commercial Vehicle Safety Alliance.

Freshwater ferries are a crucial part of daily life for many communities. The Ministry provides access to inland ferries through private partners on 14 freshwater routes.

4. Commercial Passenger Transportation Regulation

The Ministry, through the Passenger Transportation Branch, and the Passenger Transportation Board (an independent tribunal) share the regulation of commercial passenger transportation. The governing legislation, the *Passenger Transportation Act*, is designed to facilitate adequate public access to commercial passenger transportation (excluding public transit), public safety and a healthy economy.

5. Executive and Support Services

This business area supports all Ministry programs through such core functions as corporate strategic planning; human resources; information systems; security; information and privacy management; and financial management.

BC Transportation Financing Authority

	Total Estimated	Actual	Variance
Revenue ($000)			
Dedicated taxes[1]	423,000	429,229	6,229
Amortization of deferred contributions[2]	159,261	158,363	(898)
Other revenue[3]	55,731	57,325	1,594
Total	**637,992**	**644,917**	**6,925**
Expenditures ($000)			
Amortization	318,156	318,854	698
Interest[4]	183,589	176,474	(7,115)
Heartlands roads program[5]	35,000	29,143	(5,857)
Grant programs[6]	48,217	44,577	(3,640)
Operations and administration[7]	34,331	42,600	8,269
Total	**619,293**	**611,648**	**(7,645)**
Net Income ($000)			
Net Earnings	**18,699**	**33,269**	**14,570**
Capital Plan ($000)[8]			
Transportation Improvements	**815,707**	**769,699**	**(46,008)**

[1] Dedicated taxes include 6.75 cents per litre motor fuel tax and a provincial sales tax on short-term car rentals of $1.50 per day.

[2] Contributions toward capital assets are deferred and amortized to income at the same rate as the related highway infrastructure is amortized to expense.

[3] Other revenue includes interest, property and economic development revenues.

[4] Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed. The variance was primarily due to less borrowing than anticipated.

[5] Improvements to Heartlands roads are included in capital expenditures; repairs to Heartlands roads are expensed. Total Heartlands roads program is $75 million per year to the end of 2007/08, then $55 million for 2008/09. The variance in the expense portion was offset by a greater portion included in capital expenditures.

[6] Grant programs include grants paid under the Transportation Partnerships Program for ports and airports, the provincial contribution to the Canada Line rapid transit project and other projects.

[7] Operations and administration variance was primarily due to unanticipated First Nations accommodation agreements.

[8] Capital Plan numbers are net of federal funding.

Complete BC Transportation Financing Authority Financial Statements are available at: http://www.th.gov.bc.ca/publications/ministry_reporting/BCTFA/06-07_financial_statement.pdf.

Major Capital Projects

Kicking Horse Canyon

Objective: Upgrade the 26-kilometre section of the Trans-Canada Highway to a modern, four-lane standard from the junction of Highway 95 at Golden to the western boundary of Yoho National Park. This corridor was originally constructed throughout the 1950s and is mostly two lanes wide. It is an important route for tourism and inter-provincial trade, serving as a gateway between British Columbia and the rest of North America.

Additionally, by connecting remote resource extraction sites with processing, manufacturing and distribution centres, this portion of the Trans-Canada Highway is a key part of our province's resource economies, particularly forestry and mining.

The Kicking Horse Canyon project has three phases, of which only the first two are funded and underway.

Costs: The estimated cost is $195 million for the first two phases.

Yoho (5-Mile) Bridge (current budget $65 million): The cost of this work is being shared with the Government of Canada under the Strategic Highway Infrastructure Program. The federal portion is $22 million and the provincial portion is $43 million. Expenditures to March 31, 2007, are $64 million. Construction reached substantial completion in November 2006.

Park (10-Mile) Bridge (current budget $130 million): The cost of this work is being shared with the Government of Canada under the Canadian Strategic Infrastructure Fund. The federal portion is $62.5 million and the provincial portion is $67.5 million. The provincial government awarded a public-private partnership to deliver the improvements through a design-build-finance-operate contract in October 2005. Design and construction by the contractor commenced in November 2005. Expenditures to March 31, 2007, are approximately $56.5 million.

Park Bridge construction

Note: It is anticipated that in the future there will be a third phase for upgrades from Golden to 5-Mile and 10-Mile to Yoho National Park when federal cost-sharing is secured for the components of the remaining work. The full scope of improvements likely will be made over the longer term, with some early components, starting within the three-year scope of the most recent service plan, dependent on federal funding availability. Preliminary engineering work is underway.

Benefits:

- safer roads and increased capacity on a critical provincial and national gateway;
- fewer road closures due to slides and accidents;
- replacement of two major structures that are nearing the end of their service lives; and
- economic development through increased tourism and more efficient movement of goods and services.

Risks:

- challenging climatic and geographic conditions; and
- managing traffic during construction.

William R. Bennett Bridge

Objective: Construct a new five-lane floating bridge to replace the existing 49-year-old bridge which is now at the end of its economic and useful life, and reduce the increasing traffic congestion in Kelowna. A competitive procurement process resulted in the selection of SNC-Lavalin as the private partner to design, build, finance and operate the new bridge and related improvements to the highway approaches.

Costs: The bridge and approaches construction improvements are estimated to cost $144.5 million (in 2004 dollars). After 18 months of construction the project is still on course to meet the projected overall cost.

Bridge site construction

Benefits:

- improved safety;
- reduced congestion and travel time;
- reliable 75-year life for new bridge; and
- economic development through more efficient movement of goods and services.

Risks:

- engineering and construction challenges for this unique floating structure; and
- environmental risks within Okanagan Lake and archaeological on shore.

Sea-to-Sky Highway

Objective: Implement extensive improvements to the existing highway between Horseshoe Bay and Whistler to improve safety, reliability and mobility. The improvements will make travel along the corridor safer for residents, commuters, tourists and businesses moving goods.

Costs: The Ministry chose a combination of procurement methods to deliver the highway improvements on the Sea-to-Sky corridor. Approximately two-thirds of the capital expenditures for the overall project are being undertaken through a 25-year performance-based public-private partnership between the Ministry and the S2S Transportation Group. The total capital budget for the project is $600 million (in 2002 dollars). Expenditures are within 5 per cent of the $170 million projected to March 31, 2006. The project agreement, schedules and related reports are detailed under Project Updates at http://www.partnershipsbc.ca/files/project-seatosky.html

Benefits:

- safer road;
- increased capacity;
- reduced vehicle operating costs;
- fewer road closures due to slides and traffic incidents;
- First Nations' participation and opportunities; and
- additional benefits resulting from private partnerships, such as:
  - 20 kilometres of additional passing lanes;
  - 16 kilometres of additional median barrier;
  - additional highly-reflective pavement markings to enhance safety;
  - 30 kilometres of additional shoulder and centre-line rumble strips where most effective;

— improved lighting and roadside reflectors for additional safety; and

— improved highway maintenance in response to weather conditions (three road/weather information sites).

Risks:

- difficult terrain and unstable areas that the highway crosses;
- need to keep a large volume of traffic flowing while carrying out the improvements;
- need to address municipal, community and environmental issues; and
- unalterable schedule for completing the job.

Pitt River Bridge and Mary Hill Interchange/Lougheed Highway Interchange

Objective: Construct a new bridge to replace the existing swing bridges and an interchange to replace the existing Lougheed Highway and the Mary Hill Bypass intersection connecting Port Coquitlam and Pitt Meadows.

Costs: The total capital budget for the project is $198 million. The project is being funded by the federal and provincial governments. As part of its recent Asia Pacific Gateway and Corridor Initiative, the Government of Canada has committed $90 million in funding for costs associated with the construction of the bridge and a new grade-separated interchange at Lougheed Highway and Mary Hill Bypass. The Province is providing $108 million. Expenditures for 2006/07 were just over $16 million.

Benefits:

- Increased safety as a result of higher design standards, the elimination of a major intersection and counter-flow system, as well as a new dedicated pedestrian and cyclist pathway. The new bridge also enhances safety for marine navigation.
- Increased reliability from the replacement of the two existing swing bridges of the Pitt River crossing as well as ensure the free flow of marine traffic in the Pitt River. The new bridge will also create more reliable transit times, enhancing transit's attractiveness as a transportation option.
- Improved traffic movement and reduced congestion by maintaining seven general travel lanes, 24 hours per day, eliminating backups caused by the current counter-flow system.
- Improved environmental benefits include reducing impacts on the river with significantly fewer piers than the existing swing bridges. The removal of the existing swing bridges eliminates the 18 piers that support them as well as allowing for the rehabilitation of land underneath and alongside the new bridge, improving marine habitat.

- Enhanced flexibility to meet changing traffic demand. The bridge will be built to accommodate eight lanes in the future, four in each direction, which can be dedicated for high occupancy vehicles as the rest of the high occupancy vehicles network expands. The bridge will be designed to accommodate future rapid transit. The new bridge and interchange would also accommodate future access to Port Coquitlam and Coquitlam via the Fremont Extension.

Risks:

- need to keep a large volume of traffic moving during construction;
- need to address municipal, community and environmental issues; and
- unalterable schedule for completing the job in order to be concurrent with the opening of TransLink's Golden Ears Bridge.

Nisga'a Highway

Objective: The Nisga'a Highway Project has been a seven-year investment program that involved upgrading the Nisga'a Highway from a gravel resource road to an all-weather, two-lane highway that meets a 70 kilometres per hour standard. The project was completed on July 7, 2006. The new road will better serve Nass Valley residents and resource industries in the area.

Costs: The total project cost was $51.5 million, under the budgeted cost of $52 million.

Benefits:

- fewer road closures due to slides and accidents;
- safer roads;
- travel time savings;
- better access to British Columbia communities; and
- economic development through increased tourism and more efficient movement of goods and services.

Risks: This project has presented engineering and construction challenges due to the rugged terrain.

Transportation Investment Plan

Provincial Investments ($millions)	2006/07 Actual
Rehabilitation	125
Interior and rural side roads	66
Heartlands oil and gas road rehabilitation	47
Mountain Pine Beetle Strategy	30
Highway 1 – Kicking Horse Canyon	47
Sea-to-Sky highway	187
William R. Bennett Bridge and east approach	51
Border crossing infrastructure	26
Gateway Program	102
Okanagan Valley corridor	11
Cariboo connector program	12
Other highway corridors and programs	109
Airports and ports	27
Canada Line Rapid Transit Project	17
Total provincial investment	857

Highway Rehabilitation

During 2006/07, $121 million was invested in resurfacing our provincial highways; rehabilitating or replacing bridges and other structures; seismic retrofits; and various safety improvements.

Interior and Rural Side Roads

In 2006/07, $66 million was invested in making the northern and rural road network safer and more reliable, and improving connections between communities.

Heartlands Oil and Gas Road Rehabilitation Strategy

Approximately $47 million was invested in 2006/07 on rehabilitating the existing public road infrastructure in the northeast region of the province to help eliminate seasonal road restrictions and extend the winter drilling season for oil and gas exploration, thereby attracting new investment and creating jobs. This rehabilitation is being done in partnership with the Ministry of Energy, Mines and Petroleum Resources.

Mountain Pine Beetle Strategy

In 2006/07, $30 million was invested in roads under the Ministry's jurisdiction, in areas impacted by the mountain pine beetle timber harvest. These funds were invested in improving roads to facilitate harvest activities; and on rehabilitating or improving the safety of provincial highways impacted by the significantly increased volume of truck traffic generated by the accelerated harvest of mountain pine beetle killed timber.

Border Crossing Program — Approximately $53 million was invested in 2006/07 on projects to enhance the free flow of goods through British Columbia's busiest border crossings to keep international trade moving and the economy strong. Of this, $25 million was recovered from federal and other partnering opportunities. The program's multi-year projects will be cost-shared with the federal government until their completion in 2008/09.

Gateway Program — Approximately $101 million was invested in 2006/07 in reducing congestion and improving the movement of goods, people, and transit throughout Greater Vancouver through a proposed program of road and bridge improvements along and across the Fraser River. Proposed projects include:

- The South Fraser Perimeter Road, approximately 40 kilometres long, is a proposed new four-lane, 80 kilometres per hour route along the south side of the Fraser River extending from Deltaport Way in Southwest Delta to 176th Street, with connections to Highway 1, and to approximately 184th Street in Surrey where it links with TransLink's future Golden Ears Bridge. The environmental assessment application has been submitted and certification is anticipated in summer 2007.
- The Port Mann/Highway 1 Project includes twinning the Port Mann Bridge, upgrading interchanges and improving access and safety on Highway 1 from Vancouver to Langley. Pre-design consultation for this project is complete and the environmental assessment process will begin in fall 2007.
- The Pitt River Bridge and Mary Hill Interchange Project includes a new high-level bridge to replace the existing swing bridges and an interchange to replace the existing Lougheed Highway and Mary Hill bypass intersection. Construction will commence in spring 2007.

The Gateway Program has developed a draft cycling plan to accommodate commuter and recreational cyclists within the Gateway corridors, including across the new Port Mann Bridge. This component will see the largest single expansion of cycling network in the history of British Columbia — a $50 million commitment.

Okanagan Valley Corridor — In addition to replacing the Okanagan Lake Bridge with the new William R. Bennett Bridge, trade and tourism will be supported by investing approximately $20 million a year on projects that will reduce congestion in rural and urban areas by four-laning Highway 97 between Summerland and Peachland, upgrading highways 97 and 33 within Kelowna, four-laning Highway 97A north of Vernon to Armstrong and upgrading key intersections with the Trans-Canada Highway.

Investments of $13.6 million in 2006/07 saw, among other projects, the completion of construction for the Highway 97/33 Intersection and Highway 33 Extension Project, and the Trans-Canada Highway, 30th Street to Highway 97B Project.

Cariboo Connector — Widening the 460-kilometre portion of Highway 97 from Cache Creek to Prince George will increase safety and decrease travelling times while providing northern communities with a first-class trade corridor that meets the needs of a rapidly expanding economy. Phase 1, a $200 million improvement program was initiated in 2005/06 and approximately $12.7 million was invested in 2006/07.

Other Highway Corridors and Programs — Investments totalling $76.8 million were made in 2006/07 improving the performance of highway corridors through projects such as passing lanes, four-laning, left turn slots, realignments and safety upgrades. About $6.5 million of this was recovered through the federal Strategic Highway Infrastructure Program (SHIP). Another $45.7 million was spent on interest-during-construction, procurement expenses for design-build-finance-operate projects, and other transportation programs.

Transportation Partnerships Program — Approximately $27 million dollars were invested in 2006/07. The program continues to support the development of the closest port in the Americas to the rapidly growing Asia Pacific market through contribution to the container handling facility at the Port of Prince Rupert. Other contributions were made to modernize airports across British Columbia help boost tourism, create new jobs and enable the realization of other economic opportunities. The Ministry continues to reserve $10 million a year that, when added to the contributions by partners, bring benefits for regional economies. A portion of this program funding is directed to cost-sharing the development of bicycle networks to make cycling a safe and attractive option for commuters.

Canada Line — The Canada Line is a jointly-funded (British Columbia Government, Vancouver International Airport, Federal Government and the Greater Vancouver Transportation Authority) rail-based rapid transit line that will link central Richmond, the Vancouver International Airport and Vancouver's downtown business district. The project is deliverable by the Greater Vancouver Transportation Authority through its subsidiary Canada Line Rapid Transit Inc. The Province is committed to making $435 million in contributions; $17.2 million was invested in the project in 2006/07.

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Annual Service Plan Report Appendix

Appendix A

Legislation governing the Ministry's activities can be found on the Ministry website at:

- http://www.th.gov.bc.ca/key_initiatives/legislation/statutes.htm.